

RESOLUTION NO. 75524

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE AUTHORIZING THE DIRECTOR OF HOUSING TO ACCEPT BUILDING EQUITY AND GROWTH IN NEIGHBORHOODS HOUSING PROGRAM GRANTS FROM THE CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

WHEREAS, Building Equity and Growth in Neighborhoods ("BEGIN") funds are available to cities and counties that have contributed to the reduction of housing costs through various "regulatory relief measures, such as modification of density or zoning standards, flexible parking standards, reduction in permit processing or regulatory costs, and project design"; and

WHEREAS, the California Department of Housing and Community Development ("HCD") has issued a Notice of Funding Availability for the BEGIN Program established by Chapter 14.5, Sections 50860 through 50866 of Part 2 of Division 31 of the Health and Safety Code (the "Statute"). Pursuant to the Statute, HCD is authorized to approve funding allocations utilizing monies made available by the State Legislature to the BEGIN Program, subject to the terms and conditions of the Statute and the BEGIN Program guidelines adopted as amended by HCD; and

WHEREAS, the City of San José ("City") has applied for allocations of funds through the BEGIN Program, for a total of \$8,396,500, to assist up to 99 first-time homebuyers in the following for-sale developments: (1) The 88, (2) The Works, (3) Axis, (4) 360 Residences, and (5) Villa Fontana, and the City has received formal award letter for two grants; and

WHEREAS, the City will use the BEGIN funds to make deferred payment loans for low and moderate income persons or families purchasing homes in the targeted developments; and

WHEREAS, HCD requires approval by the City Council to accept these new funds; and

WHEREAS, the City desires to accept the BEGIN grant funds when issued and to authorize the Director of Housing to negotiate and execute the grant agreements and any amendments or other documents necessary to implement the programs funded by the BEGIN grants;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN JOSE THAT:

The Director of Housing is hereby authorized to as more specifically set forth in the Director of Housing's report dated July 19, 2010:

1. Accept Building Equity and Growth in Neighborhoods ("BEGIN") housing program grants from the California Department of Housing and Community Development to fund the following downpayment assistance loan programs:
 - a) A \$2,000,000 grant to fund downpayment assistance loans to first-time homebuyers purchasing in The 88 condominium development.
 - b) An \$820,000 grant to fund downpayment assistance loans to first-time homebuyers purchasing in The Works condominium development.
 - c) A \$2,400,000 grant to fund downpayment assistance loans to first-time homebuyers purchasing in the Axis condominium development.

- d) A \$2,000,000 grant to fund downpayment assistance loans to first-time homebuyers purchasing in the 360 Residences condominium development.
 - e) A \$1,176,500 grant to fund downpayment assistance loans to first-time homebuyers purchasing in the Villa Fontana Condominium development.
2. Negotiate and execute all necessary grant agreements and any amendments or other documents necessary to implement the programs funded by the following BEGIN grants.

ADOPTED this 10th day of August, 2010, by the following vote:

AYES: CAMPOS, CHIRCO, CHU, CONSTANT, HERRERA,
KALRA, LICCARDO, NGUYEN, OLIVERIO, PYLE; REED.

NOES: NONE.

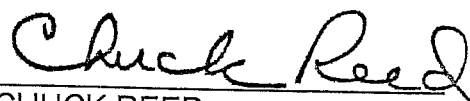
ABSENT: NONE.

DISQUALIFIED: NONE.

ATTEST



LEE PRICE, MMC
City Clerk


CHUCK REED
Mayor